

Item # _____

Prepared by Mike Ritz

Commissioner Mike Ritz

Approved by _____
County Attorney

RESOLUTION REQUESTING COUNTY MAYOR AND OTHER COUNTY
ELECTED OFFICIALS SUBMIT CERTAIN FISCAL YEAR 2010 AND 2011
BUDGETARY INFORMATION TO THE SHELBY COUNTY
DIVISION OF FINANCE AND ADMINISTRATION FOR THAT DIVISION
TO PRESENT TO THE SHELBY COUNTY
BOARD OF COMMISSIONERS FOR REVIEW AND CONSIDERATION.
SPONSORED BY COMMISSIONER MIKE RITZ.

WHEREAS, The proposed 2010-2011 Shelby County Budget provides for a FY2010 \$7,593,000 deficit of projected revenue less than projected expenses; and

WHEREAS, The Proposed 2010-2011 Shelby County Budget provides for a 3% across the board salary increase for FY2010 at an annual cost of \$6,700,000 in FY2010; and

WHEREAS, The City of Memphis has advised the Shelby County Mayor and the Shelby County Board of Commissioners that the City desires to discontinue its support of the Memphis and Shelby County Health Department and that the Shelby County Administration office advises that amount equals \$14,300,000; and

WHEREAS, The Shelby County Administration office for FY2010 has also advised that the State of Tennessee has recently advised the county that a \$5,000,000 grant included in proposed FY2010 revenue will not be forthcoming; and

WHEREAS, The Shelby County Assessor is not scheduled to provide the Shelby County Board of Commissioners a Certified Tax Roll for the FY2010 budget until April 20, 2009; and

WHEREAS, The Shelby County Board of Commissioners needs to begin reviewing before late April, 2009 some more fiscally restrained budget and tax scenarios for FY2010 in order to efficiently and carefully make the final budget and tax decision for FY2010; and

WHEREAS, Some guidance and direction to the Shelby County Mayor and other Elected Officials from the Shelby County Board of Commissioners is necessary so the County Administration can provide the Shelby County Board of Commissioners some further budget information to review and consider; and

WHEREAS, The overall FY2010 Budget overall shortfall at this time is \$26,893,000 (proposed \$7,593,000 FY2010 Budget deficit plus \$14,300,000 from the City's unwillingness to fund the Health Department, plus Tennessee failing to provide a certain \$5,000,000 grant) which shortfall may escalate further due to further State of Tennessee funding restrictions, the possibility that the January 1, 2009 Certified Tax Roll may be less than the prior Certified Tax Roll, budget requests from the two school boards, and other possible budget events; and

WHEREAS, A property tax increase needs to be avoided to protect the many taxpayers of Shelby County who have limited income, or have or may have less 2009 income, or may lose their current employment due to the economic issues facing our county citizens; and

WHEREAS, Most businesses in Shelby County are cutting payroll costs by reducing pay and/or eliminating jobs while trying their best to be profitable so they can survive; and

WHEREAS, Salary increases for county employees in this economic climate are not palatable with the taxpayers and citizens of Shelby County; and

WHEREAS, A salary freeze was implemented for county employees in FY2009, and such a freeze is apparently necessary for FY2010 in order to help reduce the overall county expenses for FY2010; and

WHEREAS, A reasonable target for the FY2010 County Budget is no property tax increase; and

WHEREAS, the county's operating budget should generally take precedence over capital budget needs except for building safety, security and integrity; and

WHEREAS, the County Commission, during the budget process for the FY2009 budget, made it abundantly clear to those few agencies receiving county grants that FY 2009 may be the last year of such grants; so

NOW THEREFORE BE IT RESOLVED That the Shelby County Mayor and other County Elected Officials submit staffing reductions or other FY2010 budget reductions equal to \$20,193,000, which is the difference between the overall FY2010 Budget \$26,893,000 shortfall and the proposed FY2010 salary adjustment of \$6,700,000; and

BE IT FURTHER RESOLVED That preliminary estimates of the Shelby County Board of Commissioners as to where these reductions should be made will be based on the average \$58,341 total cost for every county position currently budgeted for FY2010, and the division's and office's prorata share of the 4123 General Fund and Internal Account positions per the attachment; and

BE IT FURTHER RESOLVED That the necessary reductions are equivalent to 346 positions (\$20,193,000/\$58,341 per position); and

BE IT FURTHER RESOLVED That the Shelby County Board of Commissioners finds that certain departments and functions of the General Fund impact may be too small to be affected by these reductions and that these 'small' departments and functions include the general fund part of Planning and Development, the Probate Clerk, the Divorce Referee, and the Jury Commission; and

BE IT FURTHER RESOLVED That public safety is a priority of the community and the Shelby County Board of Commissioners recognizes that priority by exempting the Attorney General, Public Defender and Judges from these FY2010 budget reductions at this time; and

BE IT FURTHER RESOLVED That the remaining divisions and elected officials shall be impacted prorata for their General Fund employees against the total remaining General Fund employees after the above noted adjustments, essentially providing a budget reduction equivalent

to 346 positions from the 3855 General Fund positions of the impacted divisions and elected officials; and

BE IT FURTHER RESOLVED That the Shelby County Mayor and other impacted County Elected Officials are encouraged to recommend the specific saving or position reductions to provide the necessary budget reductions including salary reductions, facility closings, reallocation of grant resources, etc.; and

BE IT FURTHER RESOLVED That the Shelby County Mayor is encouraged to find further savings in his Special Revenue and Enterprise Fund functions to avoid fee increases and assure equitable treatment of all Shelby County employees; and

BE IT FURTHER RESOLVED That the Shelby County Mayor re-submit the FY 2010 and FY 2011 with reduced 'pay as you go' capital projects; and

BE IT FURTHER RESOLVED That the Shelby County Mayor recommend reduced or no county grants for those agencies receiving FY 2009 county grants; and

BE IT FURTHER RESOLVED That the Shelby County Board of Commissioners desires that to the extent that positions must be reduced that the "last in – first out" philosophy and policy not be the primary method to reduce county employment; and

BE IT FURTHER RESOLVED That the County Administration bring to the Shelby County Board of Commissioners no later than March 15, 2009 a balanced budget recognizing no City funding for the Memphis and Shelby County Health Department, no salary adjustments for FY2010, and without the certain \$5,000,000 grant and other cost saving policies going forward for Shelby County.

A C Wharton, Jr.
County Mayor

Date _____

ATTEST:

Clerk of County Commission

ADOPTED _____

